GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA

UNSTARRED QUESTION NO:3149
ANSWERED ON:10.08.2001
REVIVAL OF DISINVESTMENT COMMISSION
DR. KIRIT SOMAIYA;IQBAL AHMED SARADGI

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the Government have agreed to revive the Disinvestment Commission with new members;

(b) if so, the salient features of revival;

(c) the number of members appointed alongwith their qualifications;

(d) the extent to which the Government have agreed to take a decision on the disinvestment of major PSUs;

(e) the PSUs which are to be disinvested during the current year; and

(f) the methods adopted by the Disinvestment Commission in this regard?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE DEPARTMENT OF DISINVESTMENT, MINISTER OF STATE MINISTRIES OF PLANNING, STATISTICS & PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCE (SHRI ARUN SHOURIE)

(a), (b) & (c) The Disinvestment Commission has been reconstituted on 24-7-2001.Dr. R.H. Patil, Chairman, Clearing Corporation of India Ltd. has joined as the Chairman of the Disinvestment Commission. His earlier assignments included Executive Directorship of the Reserve Bank of India.He was the first managing director of the National Stock Exchange of India Ltd.Shri G. Ganesh, an IAS officer, is the Member-Secretary of the Disinvestment Commission. Other members have not yet been appointed.

Disinvestment Commission is an advisory body and its role and function would be to advise the Government on disinvestment in public sector units and other matters that are referred to it by the Government. It shall also carry out any such other activities relating to disinvestment as may be assigned to it by the Government. In making its recommendations, the Commission will also take into consideration the interest of workers, employees and other stakeholders, in the public sector unit(s). The final decision on the recommendations of the Disinvestment Commission will vest with the Government.

(d) The Government`s declared policy of disinvestment, as stated in the budget speech for the year 2000-2001, is to bring down the Government equity to 26% or below in non-strategic public sector undertakings, in the generality of cases. In cases of PSUs involving strategic considerations, Government will continue to retain majority holding.

(e) The following PSUs, which are at different stages, are expected to be disinvested in this year:-Air India, CMC Ltd., Hindustan Copper Ltd. (Phase I), Hindustan Organic Chemicals Ltd., Hindustan Zinc Ltd., Indian Airlines, IBP Ltd., Indian Petrochemical Corporation Ltd., properties of India Tourism Development Corporation Ltd., Madras Fertilizers Ltd., Minerals and Metals Trading Corporation Ltd., National Fertilizers ltd., Paradeep Phosphates Ltd., Sponge Iron India Ltd., State Trading Corporation Ltd. Hindustan Cables Ltd., Hindustan Cables Ltd., Instrumentation Ltd., Jessop and Co. Ltd., NEPA Ltd.,Tungabhadra Steel Products Ltd., Videsh Sanchar Nigam Ltd.,Bharat Brakes and Valves Ltd., HTL Ltd., NIDC,Bharat Heavy Plates & Vessels Ltd., Hindustan Salts Ltd. and Engineering Projects (India) Ltd.

(f) Disinvestment Commission did not adopt any methods for disinvestment. It had only recommended different methods or a combination thereof, for various PSUs it had examined. All disinvestment decisions are taken and implemented by the Government.